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Acting United States Trustee for Region 3<sup>1</sup>

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

**In re:**

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC  
COMPANY,**

**Debtors.**

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric Company  
☒ Affects both Debtors

*\* All papers shall be filed in the lead case,  
No. 19-30088 (DM)*

Bankruptcy Case  
No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**DECLARATION OF MICHAEL SORGAARD IN SUPPORT OF UNITED  
STATES TRUSTEE'S OBJECTION TO MOTION OF THE DEBTORS TO  
CONTINUE THEIR EXISTING CASH MANAGEMENT  
SYSTEM AND FOR OTHER RELIEF [ECF NO. 7]**

I, Michael Sorgaard, declare as follows:

<sup>1</sup> Andrew R. Vara, Acting United States Trustee for Region 3, is acting in this appointment for Tracy Hope Davis, United States Trustee for Region 17, who is recused from the above-captioned cases.

1           1.       I am employed as a Regional Bankruptcy Analyst in the Office of the United States  
2 Trustee, Region 17, San Francisco Division (the "Office"), 450 Golden Gate Avenue, San  
3 Francisco, California 94102. I make this declaration based on my own personal knowledge of the  
4 facts of this matter. If called upon to do so, I could and would testify as to these facts.

5           2.       I have had numerous telephonic conversations and email exchanges with the above  
6 captioned debtors (the "Debtors") in connection with cash management issues. In a telephonic  
7 conversation on February 12, 2019, my Office colleagues and I discussed banking issues with the  
8 Debtors' counsel and the Debtors' financial advisors, as well as representatives from the Bank of  
9 New York Mellon ("BNYM"). At that time, my Office inquired into the status of the various bank  
10 and financial institution accounts of the Debtors.

11           3.       The Debtors, by their financial advisors, sent information to my Office by email on  
12 February 12, 2019. In that email, the Debtors disclosed balances in the Debtors' accounts.  
13 However, they did not explain whether the balances were the maximum anticipated amounts in  
14 these accounts, a question of my Office requested that the Debtors answer. My review of these  
15 accounts shows that the Debtors listed over \$1 billion in BNYM brokerage accounts.

16           4.       On January 31, 2019, the United States Trustee filed an Omnibus Objection to First  
17 Day Motions, including to the Cash Management Motion (the "US Trustee Omnibus Objection").  
18 ECF No. 173. A copy of the US Trustee Omnibus Objection is attached as Exhibit A.

19           5.       On January 31, 2019, the Court entered an order granting the Cash Collateral  
20 Motion on an interim basis (the "Interim Order"). A copy of the Interim Order is attached as  
21 Exhibit B.

22           I declare under penalty of perjury that the foregoing is true and correct this 21st day of  
23 February 2019.

24  
25                               /s/ Michael Sorgaard  
Michael Sorgaard